of the leaders undertook to run a similar deal in coffee, and did succeed in forcing the price up some one or two cents per pound, but on the advance were met with a debacle of the berry, and the price rapidly fell off. The coffee market has always been a most peculiar one, and its wake is strewn with wrecks of individuals and concerns who had made a life-long study of it, and for the time at which they operated had full as much money with which to operate as the-would-be-leaders of the present time, and it is simply preposterous to think that the present aspirants who know little or nothing of the trade could succeed where the others had failed.

One of the most important events of the week has been the launching of the Dakota, a sister ship of the Minnesota at the yards of the Eastern Shipbuilding Company, at Groton, Connecticut. These two vessels will give Mr. James Hill and his Great Northern road a commanding position on the Pacific Ocean, and should it become necessary for the Government to take them, they could immediately be turned into transports and could each carry many thousands of men to any point, which might be desired. Mr. Hill is one of the few men in the country who realizes and appreciates the possibilities of the Oriental trade.

Arrangements are now being made to finance the payments to be made on account of the purchase of the Panama Canal, and there is little doubt but that his operation will be carried through without in any way disturbing the money market.

It was with something of a chill that the financial community learned after repeated denials that the Pennsylvania management had placed a loan of $50,000,000 for eighteen months, at 4½ per cent., which, with commissions, etc., will make the money cost about 5 per cent. It is reported that this loan has been readily taken and that the proceeds will be available to the Pennsylvania about the first of April, the principal subscriptions being made in New York, London and Berlin. It is understood that a large portion of this amount will be used to improve the lines West of Pittsburg.

Rumour has it, that the Gates' party, who sold out their holdings on the recent rise, and then went short of the market is off about 5 per cent. from the recent high point willing to see the market advance, and will ever help it to do so whether this is so or not, the fact remains that the market is off about 5 p. ct. from the recent high point and taking into account it strength should have a rise of moderate proportions.

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LONDON LETTER.

London, January 28, 1904.

Finance.

Long ere this, readers of The Chronicle will have known the trial and tragic ending of Whitaker Wright.
known the trial and tragic ending of Whitaker Wright.
It may be said here though, that no matter how damning was the evidence of fraud and deceit there is a section here in the City of London who regard him as a man more sinned against than sinning. They cannot forget the conduct of the Lake View Syndicate, which, after promising Wright a clear million sterling to keep up the market in Lake View (when the dead financier was up to his neck in that desperate struggle to pull the chestnuts out of the fire), broke its word at the last moment, and left him stranded; the crash followed immediately.

The "Financial News," which claim to be, and I think, rightly, the greatest financial daily here, is the leader of this party. It is this same journal which has just celebrated the twentieth anniversary by issuing a magnificent special number, illustrated by a Royal academician and Walter Crane, and full of twenty-year surveys of all sorts of financial subjects. The Dominion is represented by articles by the Premier of British Columbia, H. S. Scott, Hon. A. G. Blair, D. R. Wilkie, and another.

Pretty nearly every day one bank or another hold a half-yearly ordinary general meeting of shareholders, and as some of the cleverest financial expect praise over there, a good deal of valuable information is distributed. The half-year, which ran from July to December last, began with fears of dear money, and these fears were pretty regular all the way through. The bank rate, however, never rose higher than 4 per cent. The average discount rate was 3¼ per cent. The average interest allowed on deposits by the banks was 2¼ per cent., as against a shade over 1¾ for the corresponding period of 1902. Many of the bankers agree that the floatation of the Transvaal loan, the reduction of interest on consols, and the arrival of consols held on borrowed funds, are the three principal causes of the large depreciation in gilt-edged securities.

There is generally in the speeches from the chair, a reference to the case of Gordon and Munroe versus the London City and Midland Bank and another. The effect of this decision by the House of Lords, will be to either very seriously increase the risk of bankers or to very seriously curtail the accommodation which has hitherto been given by bankers to their customers, inasmuch as if bankers refuse to take the risk of the decision, customers cannot have the benefit of having their checks placed to credit before they are collected. Recognizing the way in which this would cripple industry, bankers look this year for such new legislation as would remove this inconvenience.

A month ago, I gave the amount of depreciation last year, wrought in a list of 325 representative securities dealt in here. The exact market value of these, on December 20, was $14,971,840,000, which showed a decrease of three per cent. on the year. Between that date, the value has fallen another half per cent. The fall would have been more pronounced, had not Home Railways woke up under the influence of a slight wave of prosperity and a dividend revival.

Amalgamations seem to pay banks and retail trading stores more than strictly manufacturing concerns in the United Kingdom. Two multiple boot shop businesses now have lost a capital of $2,500,000, and, although not many years old, keep up a fair average of profits. Reserves are being built up, substantial amounts are carried forward, and unequal dividends of from 7 to 10 per cent. are paid. Equally prosperous are two aggregations of tobacco shops, and four big light refreshment combinations. Theatres, too, are getting into fewer and fewer hands, Sir Charles Wyndham being at the head of a group of legitimate dramatic concerns, whilst George Edwards is the Morgan of musical comedy and comic opera.

Insurance.

The first insurance company other than the marine underwriter concerns to hold a meeting this year, and deliver its account for the year ending 31st Dec., 1903, is the National Burglary Insurance Association. The premium received last year amounted to $157,500, an increase of over $21,000. The total income was $172,200. The balance left on the year's trading was $13,000. Adding to this the balance brought forward from the previous year the directors found themselves in the possession of $58,000 as a total credit balance. They pay the shareholders 5 per cent. free of income tax, add to the reserve fund $6,250, making it ——, and carry forward as a provision for unexpired risks $49,500.